# strategic expansion

## **HOT Network Delivers Congestion Insurance**

The traditional recipe for freeway congestion relief is simply to increase capacity by adding lanes. But when the economic and demographic forces that drive travel are as strong as they are in the Bay Area, the supply of roadway space always tends to lag demand, and congestion persists. To better address such supply and demand imbalances, the Bay Area should consider introducing a system of high-occupancy/toll (HOT) lanes. Such a system would inject a pricing element into highway use by giving solo drivers the option of paying to travel in high-occupancy-vehicle (HOV) lanes, while carpools and buses would still travel free of charge. Think of HOT lanes as "congestion insurance," with premiums paid only by drivers who use them.

In the Bay Area, existing HOV lanes would be converted to HOT lanes. Toll revenues could then be used to close the gaps in our HOV system, and to expand express bus and rideshare services. Pricing concepts on HOV lanes already are being proven on freeways in Orange and San Diego counties — giving motorists the choice of traveling in buses, carpools or vanpools; paying a variable toll to drive in an HOV lane; or driving free of charge on existing mixed-use lanes.

## **Transportation 2030 Challenges**

 Express buses depend on HOV lanes to zip passengers around the Bay Area.
 Filling existing gaps in the region's HOV system would create a seamless network of unobstructed lanes, deliver faster commutes and improve overall efficiency.
 This may also work to encourage more people to take transit. But the work of filling these gaps cannot be financed with traditional sources alone. HOT lane tolls would generate new funds to fill the gaps in the express bus network, buy and operate new transit vehicles, and influence demand for scarce roadway capacity.

- Though the concept of converting HOV lanes to HOT lanes has gained some support, there are concerns that HOT lanes would only benefit the affluent.
   A California Polytechnic University (San Luis Obispo) study of Orange County's State Route 91 toll lanes found that only about one-quarter of the motorists in toll lanes at a given time are higher-income motorists. The majority are low- and moderate-income motorists.
   HOT lanes give all drivers, regardless of income, the freedom of choice.
- Implementation of a HOT network in the Bay Area could take place over the next five to 10 years. MTC will need federal and state legislative permission

   and cooperation from Caltrans and the CHP — to implement a comprehensive HOT network. Legislation was recently enacted to allow a limited number of HOT lanes to be implemented in Alameda and Santa Clara counties.
- HOT lanes will lead to an increase in traffic volumes in these lanes. To maintain premium service levels, the threshold for carpool designation in some corridors may have to rise to three persons per vehicle.
- Implementation of a HOT network would mark a turn away from traditional highway expansion financing, by relying on user fees generated directly by the HOT lanes themselves rather than gasoline taxes or sales taxes.

## **Calls to Action**

### Try Before We Buy

We'll never know if HOT lanes can be an effective solution to congestion unless we give them a try. A pilot HOT lane program in Alameda and Santa Clara counties must get under way as quickly as feasible.

#### Put Legislation in the Fast Lane

MTC is seeking permission from Congress and the state Legislature to implement tolls on the state highway system. House and Senate reauthorization bills to permit greater experimentation with tolls on the Interstate system indicate the federal government is supportive of tolling. Bay Area transportation agencies must work collectively to build support for HOT lanes and other innovative pricing programs as reauthorization of TEA 21 unfolds.

#### Get a Little Help From Our Friends

Implementation of a HOT network will require extensive cooperation with Caltrans — which may need to adopt more flexible rules for roadway design and operations — and the CHP, which will have to rigorously enforce HOT lane eligibility laws to keep the lanes free-flowing.

